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EXAMINER

BORLINGHAUS, JASON M

ART UNIT PAPER NUMBER

3693

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Please find below and/or attached an Office communication concerning this application or proceeding.



## **DETAILED ACTION**

### ***Claim Objections***

**Claim 460** is objected to because of the following informalities: improper capitalization. Claim 460 has numerous instances of words that are improperly capitalized, such as "Authenticity" and "Price".

**Claims 463, 465, 468, 469, 470 and 473** are objected to because of the following informalities: improper use of quotation marks. Quotation remarks should be removed.

Furthermore, other examiners consulted recommended that applicant utilize more conventional terminology to describe such concepts as "Bargain Guru", "Bargainometer" and "Bargainmeter" in the Claims, themselves. Consulted examiners felt that such terms were proper names for products and/or features and, although defined in the specification, would raise administrative red flags in further rounds of patent prosecution. For example, other examiners suggested replacing the term "Bargain Guru" with the term "online shopping assistant."

Examiner also assumes that such claim language terminology as "Bargain Guru", "Bargainometer" and "Bargainmeter" are terms that the applicant does not seek to trademark nor that the applicant has already trademarked, as the use of trademarks in claim language is improper.

Appropriate correction is required.

***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

**Claim 459 – 473** are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The claims are generally narrative in form and replete with indefinite functional and/or operational language, and idiomatic errors. Such claim language fails to conform to current US practice. The structure which goes to make up the device must be clearly and positively specified. The structure must be organized and correlated in such a manner as to present a complete operative device. The claim(s) must be in one sentence form only. Note the format of the claims in the patent(s) cited.

**Claim 459** is rejected under 35 U.S.C. 112, second paragraph, as failing to set forth the subject matter which applicant(s) regard as their invention. Claim 459 is directed to neither a process nor a machine, but rather embraces and/or overlaps two different statutory classes of invention deemed ambiguous under 35 U.S.C. 112. *In Ex parte Lyell*, 17 USPQ2d 1548 (Bd. Pat. App. & Inter. 1990). In the instant case, Claim 459 embraces and/or overlaps the statutory classes of a system with a process.

**Claims 459 – 473** are rejected due to the lack of antecedent basis due to claim language terminology. Claim language utilizes changing and/or inconsistent terminology to such a degree as to make claims vague and indistinct.

For example, Claim 459 claims “sell offers from a seller and bargain offers from a buyer,” establishing that “bargain offers” are buyer-generated offers. Meanwhile, Claim

461 claims "bargain offer signal from said buyer and/or seller," which appears to indicate that offers generated by the buyer **AND** the seller are being termed "bargain offers." Claim 465 discloses a "buyer's bargain" which examiner assumes is a buyer's bargain offer, based upon earlier claim language. However, such interpretation would make no sense as that would mean that the buyer's offer would "remain active, subject to acceptance by said buyer," meaning that a buyer accepts their own offer. Examiner will interpret claims to the best of his ability for application of prior art.

This is just a small sampling of claim language problems in Claims 459 – 473. Examiner encourages the applicant to review all the claims and make appropriate corrections.

**Claims 460 – 473** are rejected due to lack of antecedent basis due to improperly numbered dependencies.

Claim 460 is dependent upon Claim 459, as Claims 1 – 458 have been cancelled. However, Claim 460 cites dependency upon Claim 1 rather than 460. Furthermore, Claims 461 – 473, cite dependency upon Claims 1 – 14, rather than dependency upon Claims 459 – 472. For purposes of this rejection examiner assumes that Claim 459 corresponds to Claim 1, Claim 460 corresponds to Claim 2...

**Regarding Claims 460 and 473**, claim language in Claim 460 such as "configured to verify the legitimacy / authenticity / condition of said product" is indefinite as it is unclear whether the applicant intends "/" to indicate "and", "or" or is merely establishing synonyms. Claim 473 suffers from a similar problem.

**Regarding Claims 470 and 473**, the phrase "such as" and the use of examples within the claim language renders the claim indefinite because it is unclear whether the limitations following the phrase are part of the claimed invention. See *MPEP* § 2173.05(d).

Appropriate correction is required.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

**Claims 459 – 473** are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker (US Patent 5,794,207) in view of Miller (Miller, Michael. *The Complete Idiot's Guide to Online Auctions*. Que. 1999. pp. 7 – 43).

**Regarding Claims 459 - 473**, Walker discloses a (online auction) system for processing the sale and purchase of items, comprising:

- a. a storage device (data storage device). (see col. 11, line 40 – col. 14, line 52);
- b. a processor (central processor/personal computer). (see col. 11, line 40 – col. 14, line 52);
- c. said storage device being operative to store programs for controlling said processor, and said processor being operative with said program (see col. 11, line 40 – col. 14, line 52):
  - i. to receive sell offers from a seller (counteroffers) and bargain offers (purchase offers) from a buyer, including conditions for purchase (other conditions the buyer requires) and a payment identifier (payment preferences), thereby defining said bargain offer (see col. 8, line 27 – col. 9, line 50; col. 20, line 50 – col. 21, line 67; Claim 1) ;
  - ii. to carry out a bargaining (offer/counteroffer exchange) process with said buyer to arrive at a price for at least one of said items that is agreed on by said buyer and said seller. (see col. 22, line 40 – col. 23, line 17); and
  - iii. to arrange for the purchase (payment) of said at least one item by said buyer from said seller at said price. (see col. 20, line 50 – col. 21, line 67);
- wherein said processor is further operative with said processing program to validate a received bargain offer signal from said seller and thereby determine whether said received offer signal meets predetermined

validation criteria (conditions of conditional purchase offer (CPO)). (see col. 16, lines 12 – 45); and

- further configured to indicate to the buyer that a bargain price generated by buyer's bargain (CPO), upon being accepted by said system, will remain active, subject to acceptance by said buyer, during a predetermined time period (expiration date), provided that the product or service appointed for purchase remains available. (see col. 13, lines 11 – 29); and
- further configured to provide a graphic display (video monitor). (see fig. 3 – 4).

Walker does not teach underlined claim limitations – a system:

- further configured to verify the legitimacy, authenticity and/or condition of said product and the pricing of products listed by the seller, said verification comprising the steps of:
  - a. obtaining issuance of an authenticity certificate from an authorized appraiser;
  - b. obtaining a price evaluation from said authorized appraiser,
  - c. checking product certification at the time of pick-up or delivery; and
  - d. checking condition of said product at the time of pickup and/or delivery;
- wherein said processor is further configured to start the bargain process by generating bargain prices for said buyer and said seller continuously, until a point is reached where (a) an acceptable price is arrived at, or (b)



said buyer or said seller stop bargaining; or (c) said product becomes unavailable; or (d) said bargain price generated by said system reaches its limit; or (e) said buyer or said seller runs out of bonus chances or does not request additional chances; or (f) said predetermined time period allotted for bargaining has expired;

- further configured to permit buyer to request free chances, buy more chances at a predetermined chance purchase price, or redeem purchase points to buy more chances to bargain after the system program has stopped bargaining for a particular product or service;
- further configured to permit buyer to use one or more bargain chances provided by the system to continue bargaining until all chances issued to buyer have been used, said buyer having an election to (a) request free chances; or (b) to purchase additional chances for a predetermined chance purchase price, or (c) to redeem purchase points applicable toward purchase of additional chances, or (d) to accept the system bargain price, or (e) to follow a purchase recommendation provided by a Bargain Guru;
- further configured to notify the buyer and/or seller concerning the status of shipment in transit, said notification being provided (a) at the time of sale; and (b) periodically in response to a buyer or seller request after purchase of said product;

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- further configured to (a) permit buyers to purchase wild card discounts or special promotions from the system, or (b) award such wild card discounts or special promotions on special bargain deals, and/or (c) award such wild card discounts or special promotions randomly or to privileged customers, said buyers being notified of such wild card discount or special promotion awards by surprise pop-up messages or by instant messaging, or by means of a Bargain Guru;
- further configured so that the buyer can use the wild card discounts or special promotions to enhance bargaining opportunities, by buying bargain chances or obtaining a certain percentage reduction of a final bargain offer, said enhanced bargain opportunities being specified in a wild card discount or special promotion pop-up message, or by instant messaging, or by means of a Bargain Guru;
- further configured to award purchase incentives selected from the group consisting of: (a) bonus chances made available upon the purchase of products and/or services, or in response to buyer request for free bonus chances, or to encourage timely payment by regular customers and (b) purchase points provided upon purchase products;
- further configured to track buyer's accumulation of a predetermined number of purchase points, and notify buyer that said accumulated purchase points are applicable to provide additional discounts, offers or

enhanced bargaining opportunities, in accordance with said registration agreement; and

- configured to provide at least one pop-up surprise message during bargaining, said surprise message according an additional discount on the product, or a special/promotional offer, such as buy one, get one free, with respect to said product.

Utilization of an authorized appraiser to authenticate and to assess the value of an item subject to sale and/or purchase is old and well known in the art of sales and purchasing, as is the issuance of documentation, such as an authenticity certificate, establishing such appraisal. It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Walker by incorporating the issuance of an authenticity certificate and price evaluation of an authorized appraiser, allowing system users to gauge the authenticity and/or value of items traded upon such system, such as "an 1969 Morgan Silver dollar in M69 condition." (see col. 4, lines 62 – 65).

Furthermore, checking product documentation, such as product certification, and product condition upon delivery is old and well known in the art of sales and purchasing, as evidenced by Miller that discusses inspection of the delivered item (see p. 42). It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Walker by incorporating an inspection of product certification and product condition upon delivery, to ensure that said products conform to previously

agreed upon certification and condition, such as ensuring that “an 1969 Morgan Silver dollar in M69 condition” conforms to M69 condition (see col. 4, lines 62 – 65).

Generating offer prices, such as bids, for parties continually until an acceptable price, final bid, is arrived at is old and well known in the art of sales and auctions, as evidenced by Miller which discusses proxy bidding and the use of robot bidders in online purchasing systems. (see pp. 33 – 36). It would have been obvious to one of ordinary skill in the art to have modified Walker by incorporating the continuous generation of offer prices, as disclosed by Miller, allowing the user to delegate price generation to the system rather than requiring the user to continually interact with the system.

Notifying a buyer that said buyer's offer is less than certain minimum predetermined offer criteria, such as a minimum reserve price, is old and well known in the art of sales and auctions, as evidenced by Miller (see pp. 28 – 30). Additionally, notifying a buyer that said buyer's offer is inadequate, such as when said buyer is outbid, is old and well known in the art of sales and auctions, as evidenced by Miller (see pp. 20 – 23). It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Walker and Miller by incorporating the transmission of notification to a buyer, as disclosed by Miller, when the buyer's offer is less than certain minimum predetermined offer criteria, as disclosed by Miller, allowing buyers the ability to stay apprised and/or aware of their standing in the bargaining process.

Placing constraints upon negotiations and/or bargaining, such as a time limitation and/or a limitation of the number of offers submitted, is old and well known in the art of negotiations and auctions, as such limitations encourage parties to move toward agreement and/or compromise with all due speed. For example, sealed bid auctions traditionally limit each buyer to one sealed bid. Such a limitation of one bid encourages each bidder to submit their one best bid at the onset bringing the auction to closure with all due speed. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Walker and Miller by incorporating a limitation upon the buyer, such as continuing bargaining only until all chances issued to a party had been exhausted, such as the once chance traditionally utilized in a sealed bid auction, preventing bargaining and/or negotiating from continuing indefinitely but rather encouraging parties to move toward agreement within a limited timeframe, as dictated by the number of chances possessed by the parties.

Purchasing of additional opportunities or extensions in an otherwise closed process is old and well known in the art of business. It would have been obvious to one of ordinary skill in the art to have modified Walker and Miller by incorporating the purchasing and/or selling of chances allowing a closed bargaining process to continue, such purchasing of chances indicative of the purchaser's seriousness in continuing negotiations and level of interest as such active purchasing would eliminate those parties without any true interest in a potential completed transaction.

Provision of and/or availability of information concerning the status of a shipment, such as shipment tracking, to parties in a transaction is old and well known in the art of

sales and purchasing. It would have been obvious to one of ordinary skill in the art to have modified Walker and Miller to allow of the requesting and/or provision of shipping information, allowing for parties to remain apprised of shipment status and/or location, as is conventional and/or standard in current purchase shipments.

Provision of discounts and/or coupons, either traditional paper-based promotions and/or electronically distributed promotions, such as via pop-up messages and/or email, to parties is old and well known in the art of sales and purchasing. Furthermore, utilization of said promotions by recipients to enhance their bargaining opportunities, such as to reduce product price, is also old and well known in the art of sales and purchasing. It would have been obvious to one of ordinary skill in the art to have modified Walker and Miller to allow of the provision and/or utilization of discounts and/or other promotions, as said promotions are standard and/or conventional in current sales promotions designed to increase revenue.

Purchase incentives and/or purchase points, such as airplane miles and/or coupons based upon dollar value of purchases from a retailer, are old and well known in the art of sales and purchasing. Furthermore, monitoring and/or tracking of the accumulation of such purchase points by the dispenser of such purchase incentives is old and well known in the art of sales and purchasing. It would have been obvious to one of ordinary skill in the art to have modified Walker and Miller to allow of the provision and/or monitoring of purchase incentives, as said incentives are standard and/or conventional in current sales promotions designed to increase revenue.

***Response to Arguments***

No arguments submitted by applicant in regards to previous Office Action.

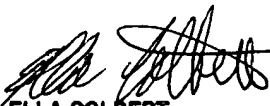
***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jason M. Borlinghaus whose telephone number is (571) 272-6924. The examiner can normally be reached on 8:30am-5:00pm M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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PRIMARY EXAMINER